

Western Maryland Economic Update

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Maryland Department of Commerce

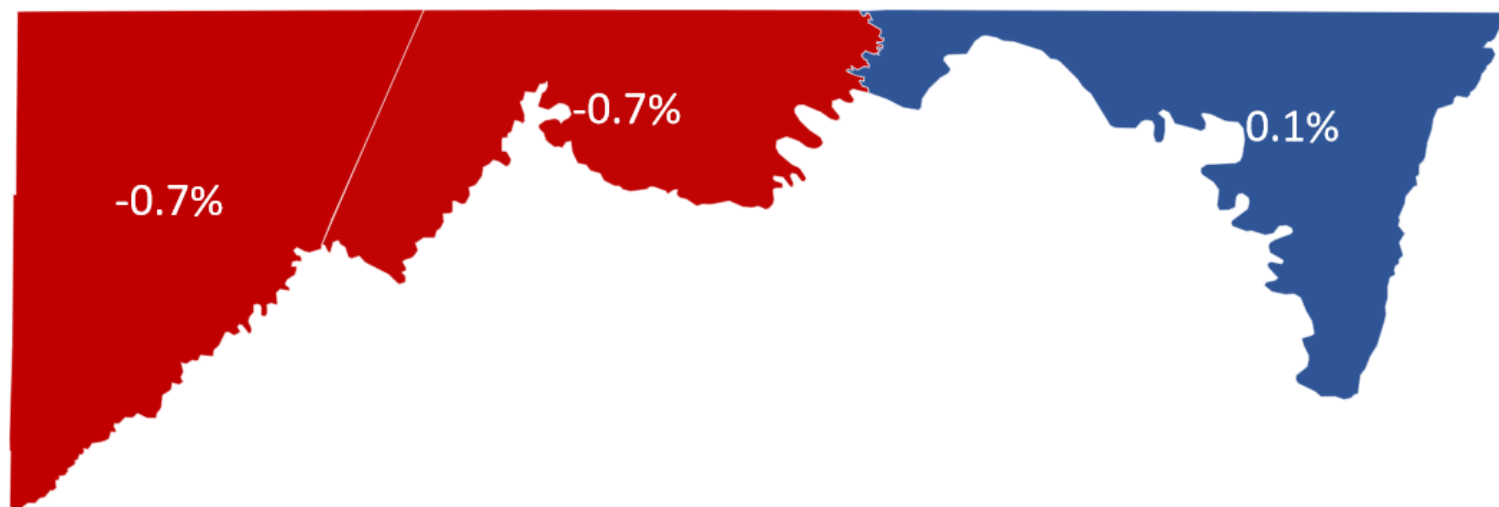
July 29, 2021



Understanding Recent Economic Data Involves Several Different Groups




The Region's Population Shrunk Slightly in 2020, Though Not Everywhere



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Percent Change in Population, 2019 - 2020



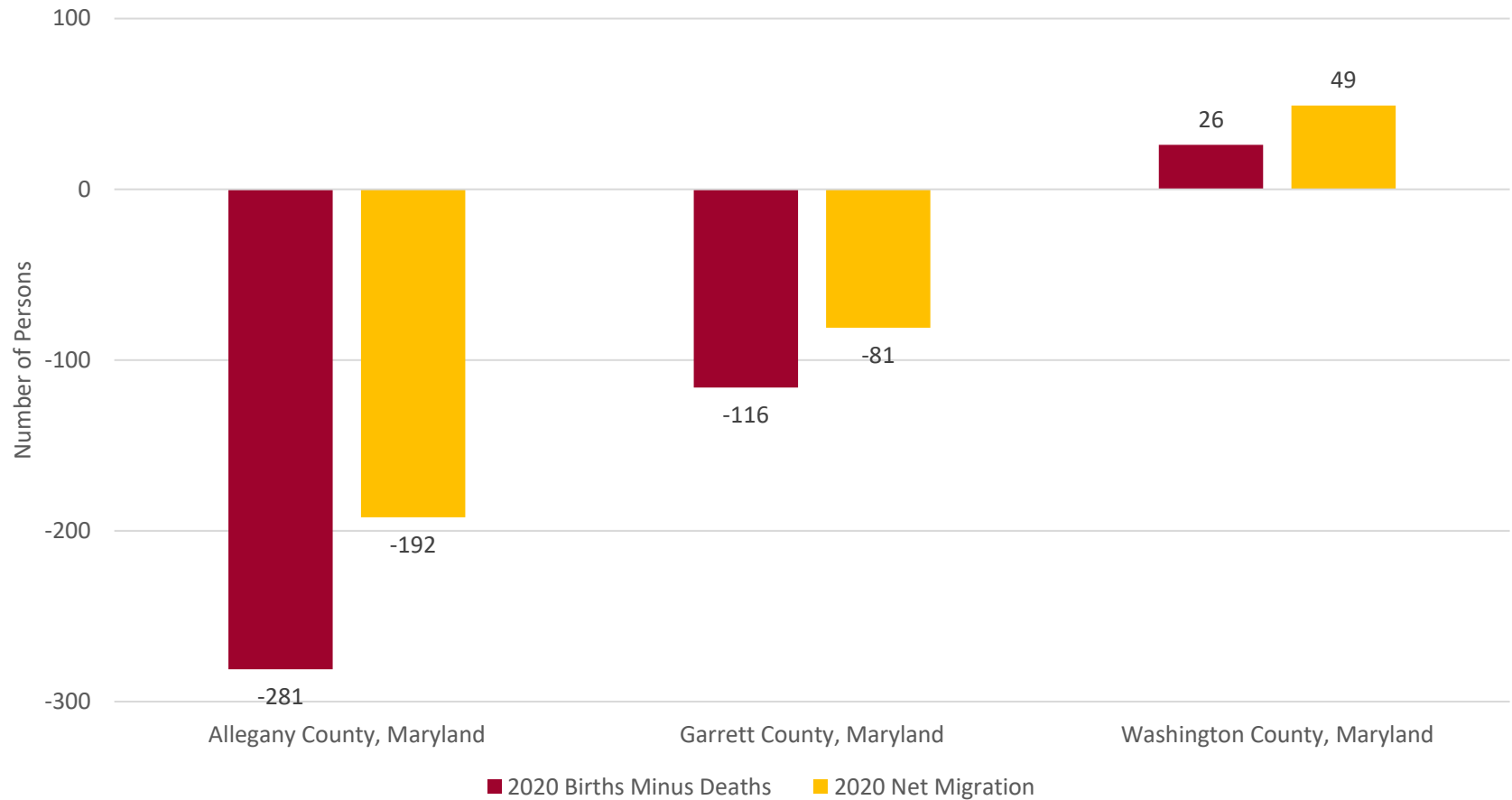
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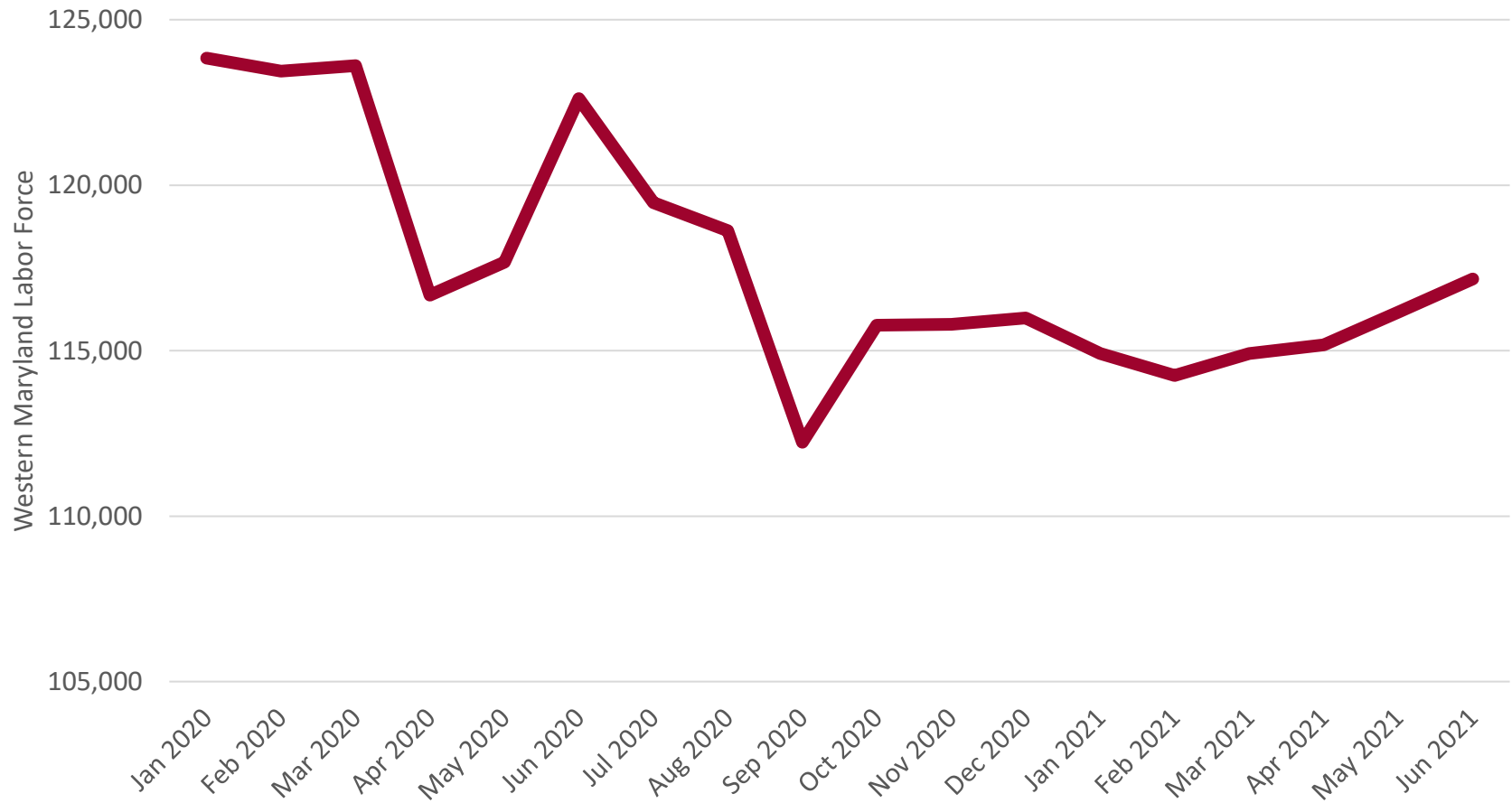
Net Migration Tended to Outweigh Natural Growth in 2020



What Are the Implications of This?

- An older/aging population in the region tends to have lower natural growth.
- Especially in Garrett and Allegany counties, policies to encourage in-migration of young families can bolster growth.
 - Continued focus on job opportunities and community/downtown development

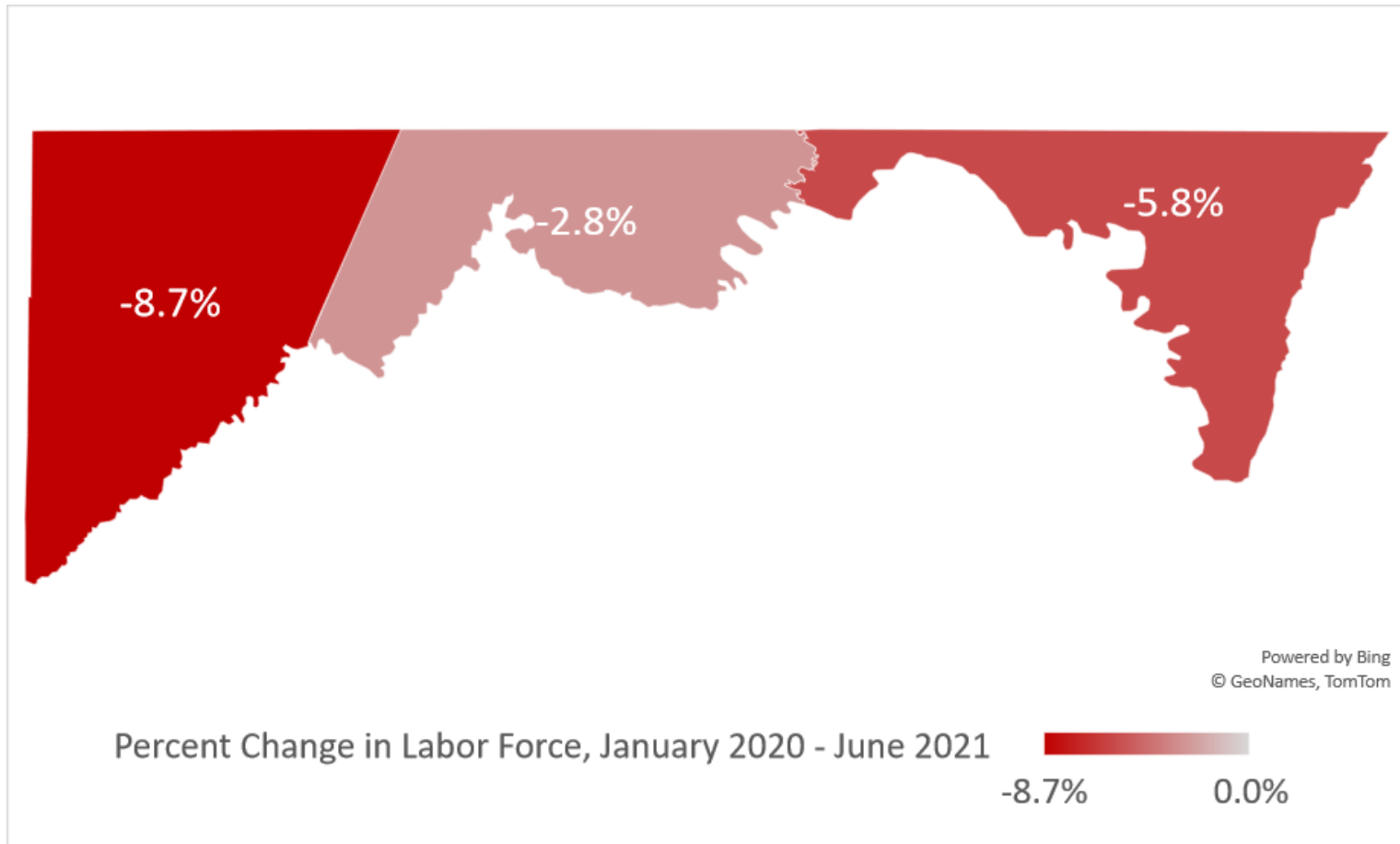
Western Maryland's Labor Force Has Fallen But is Recovering



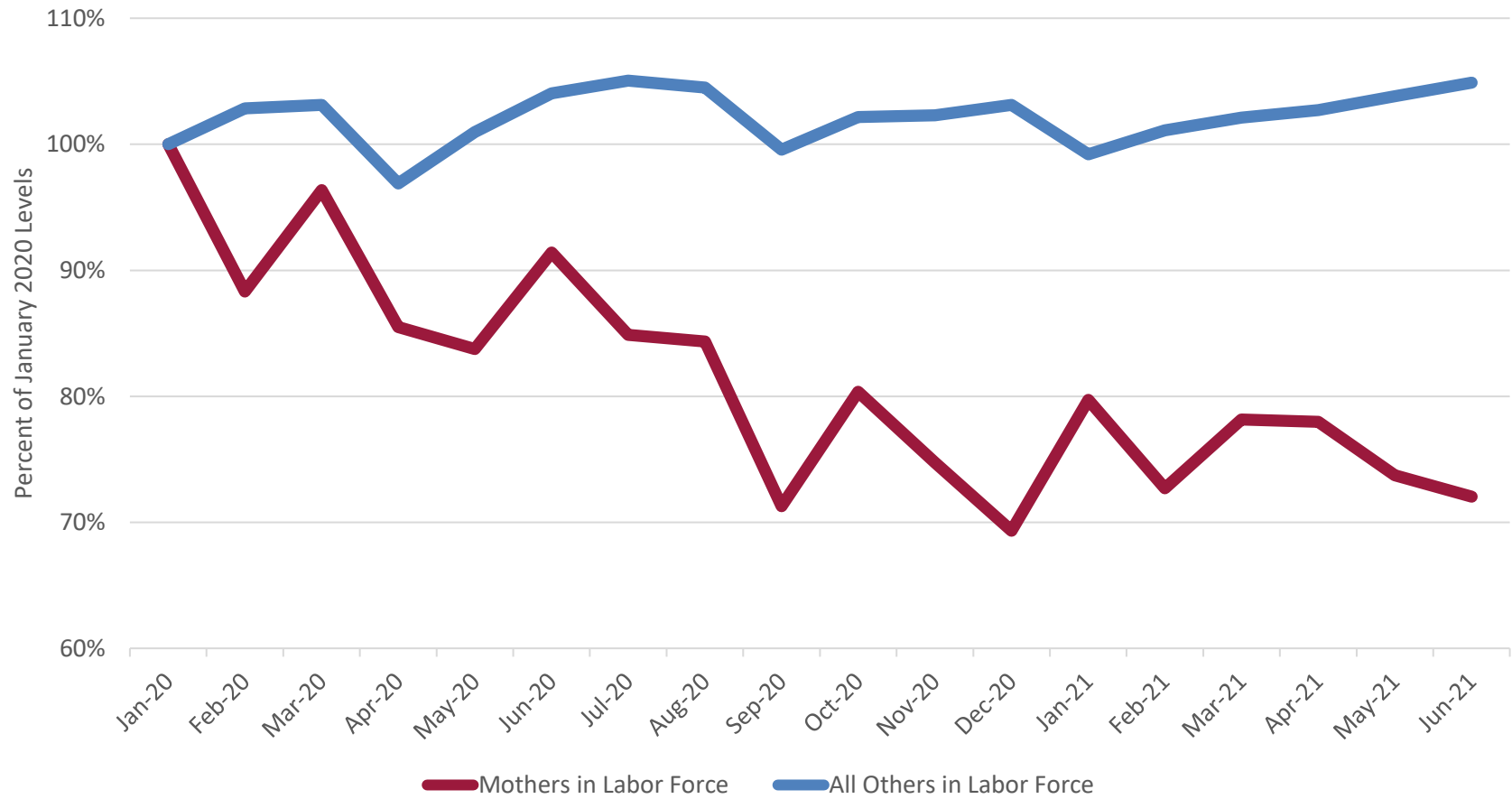
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The Labor Force has Shrunk in Every County in the Region



Statewide, the Labor Force Decline is Heavily Linked to Childcare Concerns

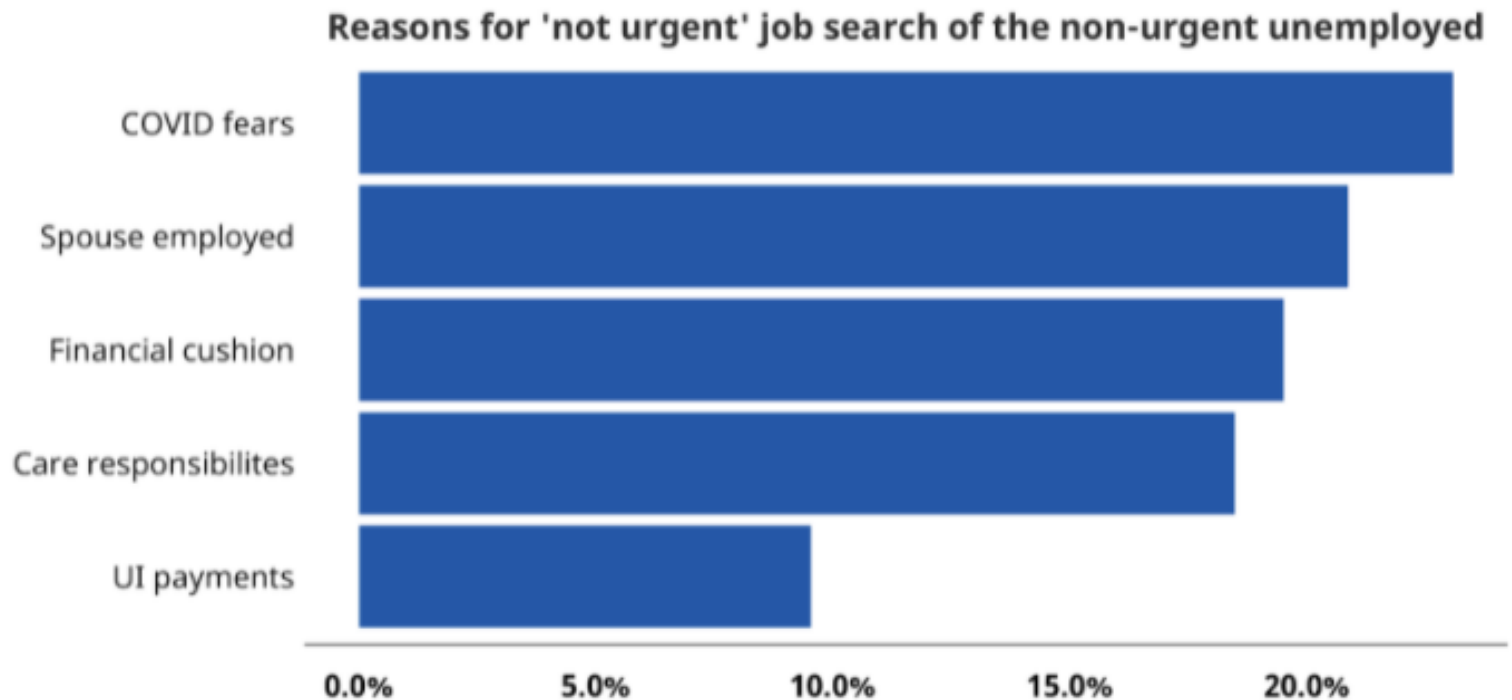


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According to a National Survey, There Are Other Factors in Slow Labor Force Growth



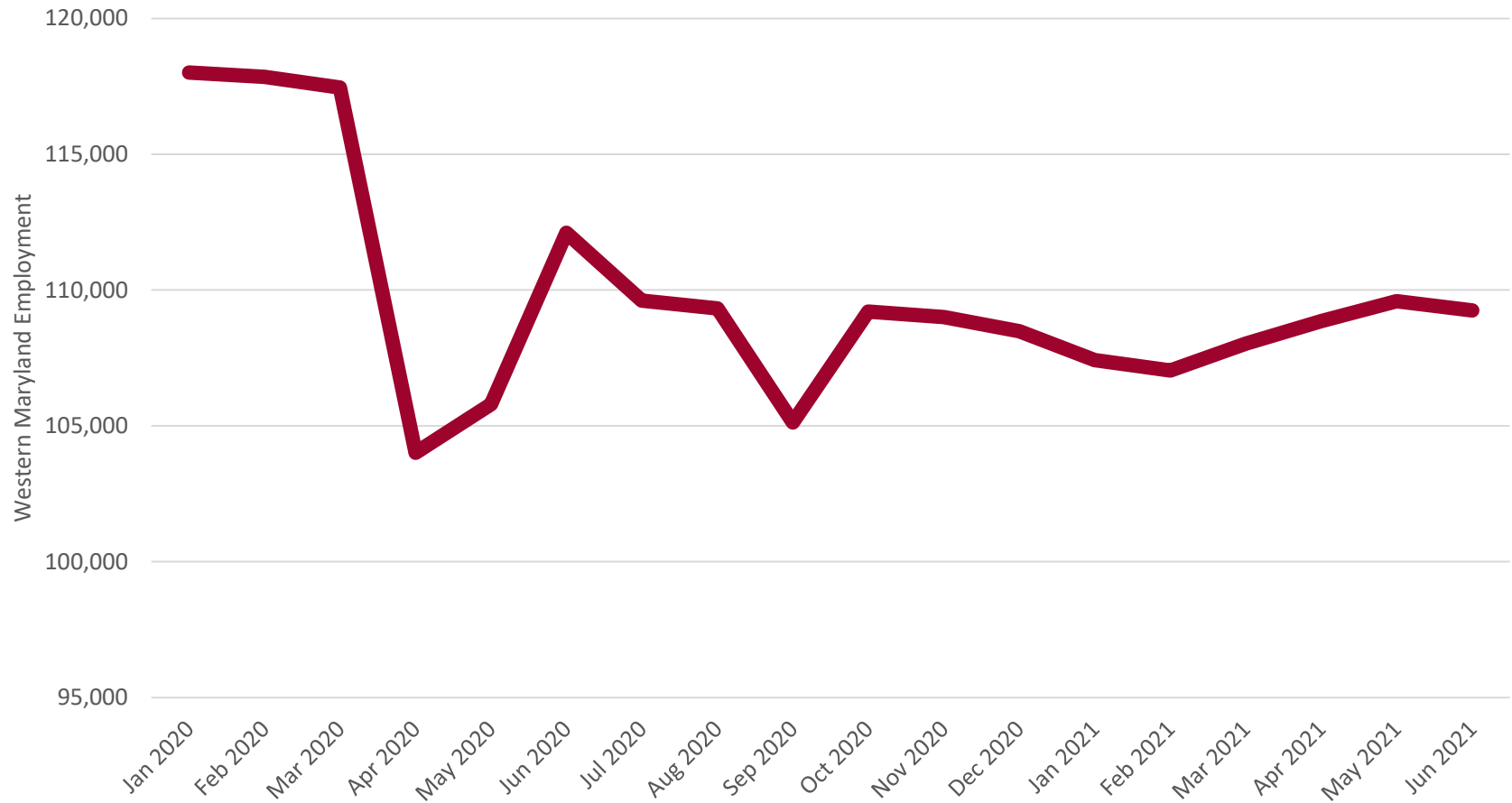
Source: Indeed Hiring Lab Job Seeker Survey



What Should We Look For With the Labor Force?

- Childcare concerns should continue to ease and drop steeply as schools reopen
- Increased vaccinations and evidence of effectiveness against variants
- End of extended UI benefits in September should boost labor force participation

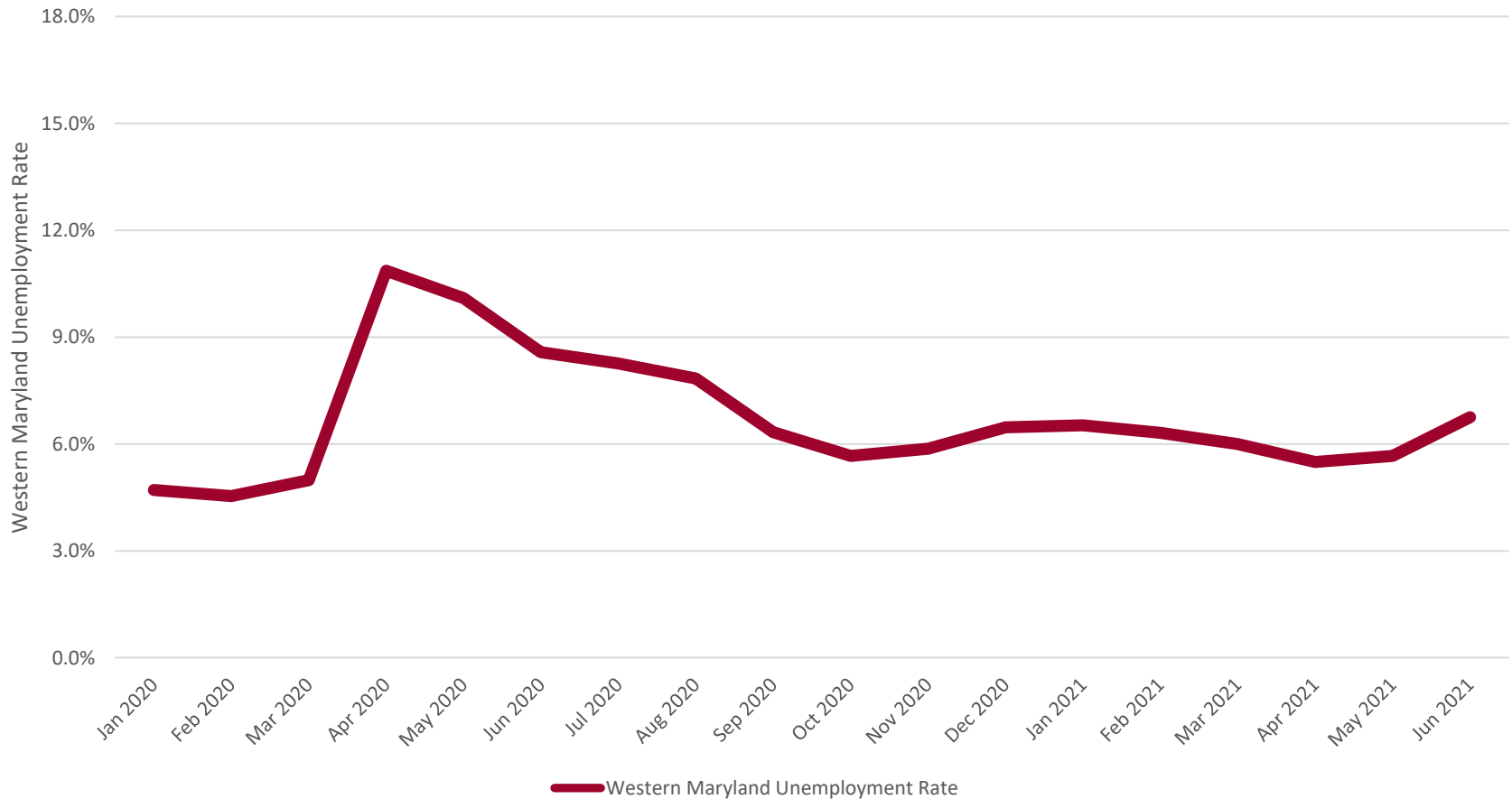
Employment in Western Maryland is Still Down From Pre-Pandemic Levels



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And the Unemployment Rate Remains Elevated

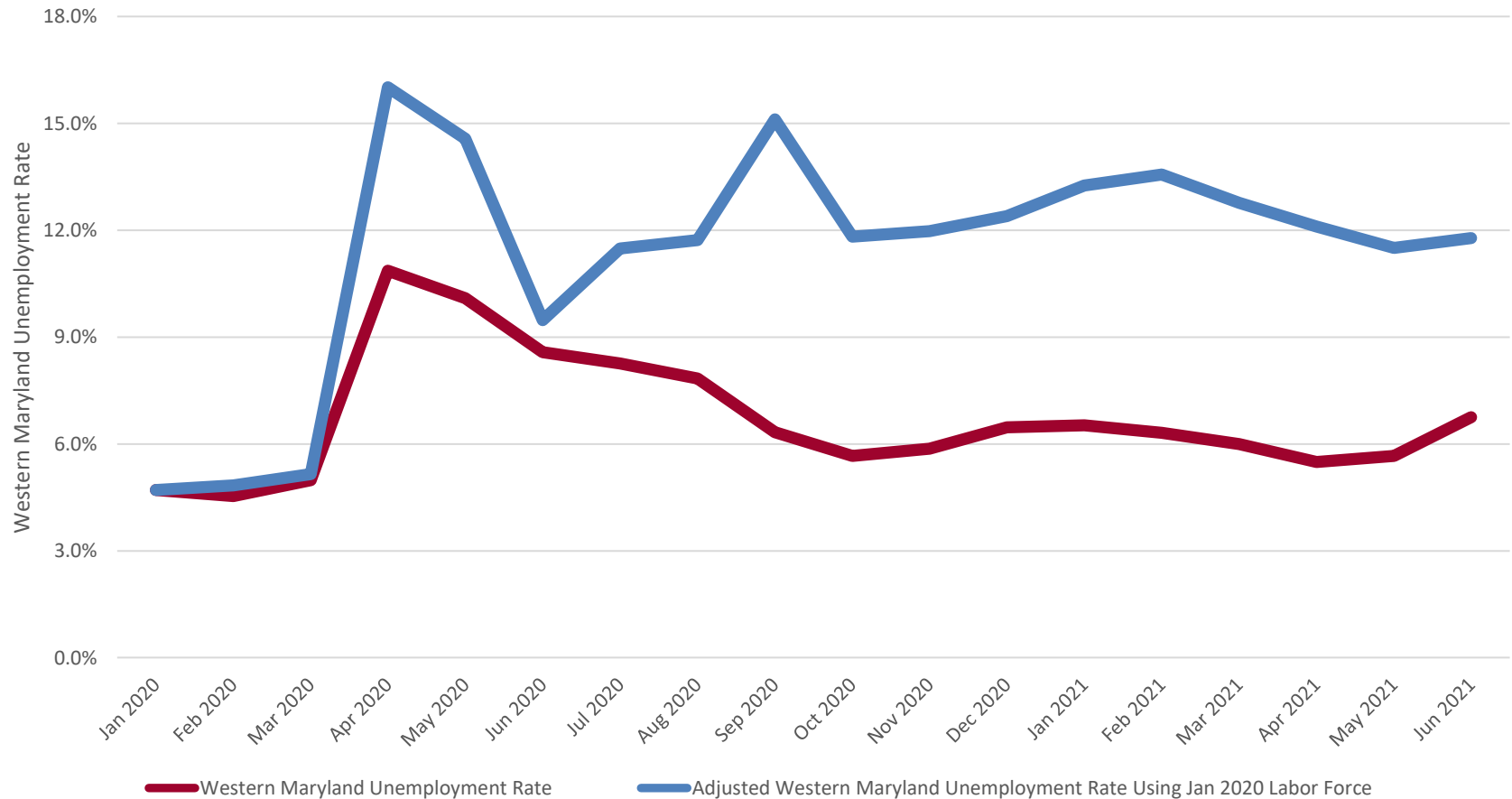


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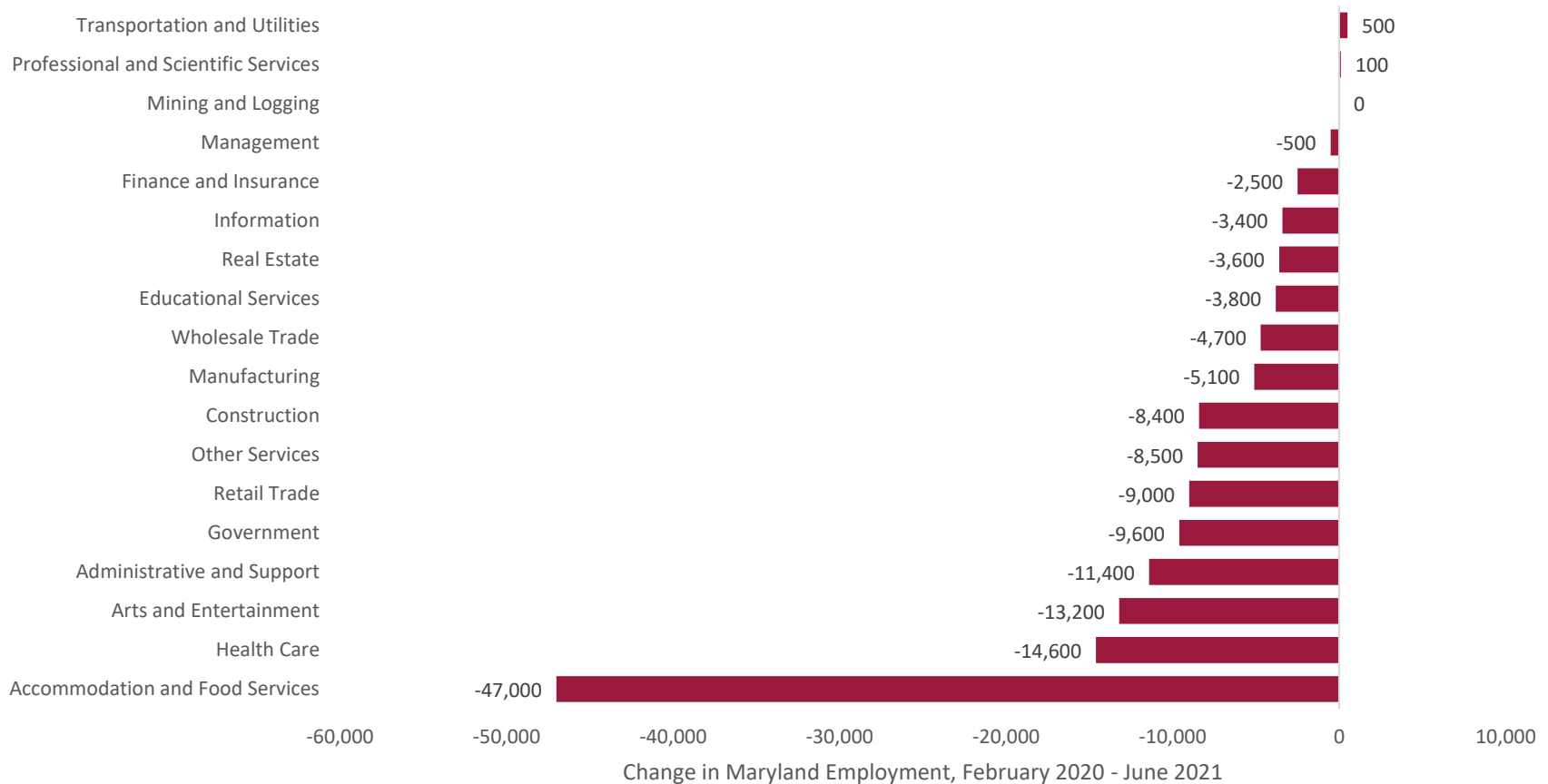
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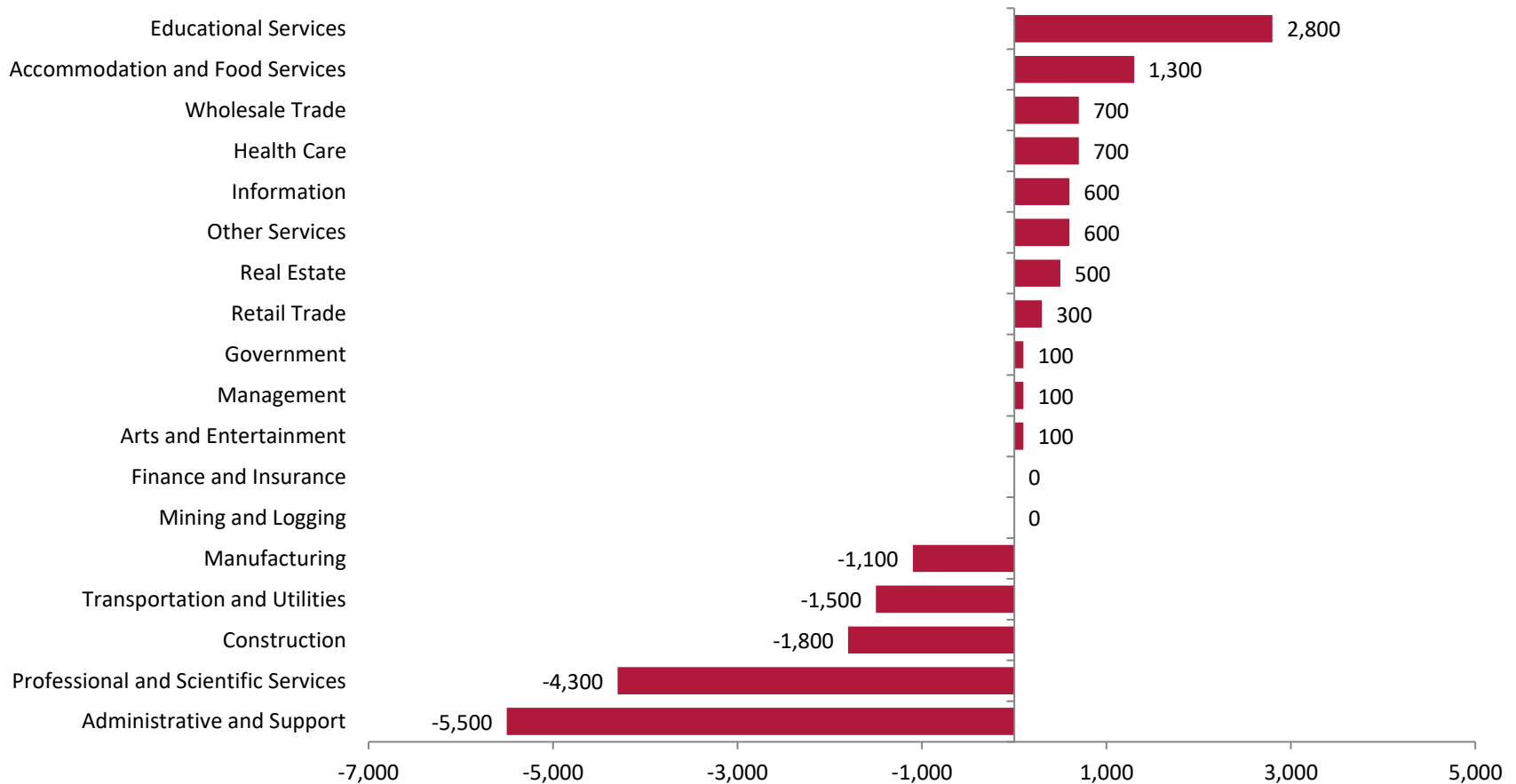
Accounting For Labor Force Exits Shows The Lengths Still to Go With Unemployment



How Have Maryland Industries Fared During the Pandemic?



What Happened in June's Job Report?





What Industries Should We Be Watching As Western Maryland Recovers?

- How does tourism recover?
 - Labor shortages, spread of variants, pent up demand
- What do distribution and ecommerce look like as we emerge from the recovery?
- Manufacturing challenges, especially labor shortages and supply chain issues

Summary

- COVID-19 has brought unprecedented challenges, but the region is steadily recovering
- Recovery should take off in September but scarring is likely to remain
- Labor shortages and supply chain issues are impacting a number of industries of importance to Western Maryland and may slow the recovery

QUESTIONS?

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